

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2018/2019

PCL0012 – INTRODUCTION TO COMMERCIAL LAW

(All Sections / Groups)

27 MAY 2019

9.00 a.m. – 11.00 a.m.

(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **THREE (3)** printed pages excluding the cover page.
2. It is **COMPULSORY** to answer **ALL** question from Section A and **ONE (1)** questions from Section B.
3. Please write all your answers in the Answer Booklet provided.

SECTION A

Instruction: Section A has **THREE** questions. It is **COMPULSORY** to answer **ALL** questions in this Section.

QUESTION 1

- a. The theory of separate legal entity was established in the case of *Salomon v Salomon & Co. Ltd (1897) AC 22*. Discuss this principle with supporting cases.
(10 marks)
- b. A partnership may be dissolved. Briefly explain the grounds for dissolution.
(5 marks)
- c. Companies Act 2016 classifies companies in a variety of ways. Discuss.
(10 marks)

[Total: 25 marks]

QUESTION 2

The maxim of *nemo dat quod non habet* means a person cannot give what he does not have. Discuss this maxim and its exceptions. Support your answer with relevant authorities.

[Total: 25 marks]

Continued

QUESTION 3

- a. Explain the characteristics of bill of exchange.

(15 marks)

- b. On May 4, 2019, Burman, bought a car from MacLean, for RM370, 000.00. Burman made two cheques totalling this amount, payable to MacLean with 'Account Payee' crossing on the cheques. Both cheques were dated May 6, 2020. About 6:30 p.m. on May 4, 2019 MacLean took both cheques to CIMB Bank at Kuala Lumpur, where he had an account. The cheques were drawn on the Bank of Montreal. CIMB Bank took the cheques and gave MacLean RM370, 000.00 for them over the bank counter.

- i. Identify and explain the type of cheque issued by Burman and its effect.

(4 marks)

- ii. Discuss whether McLean can draw the cheque before the date stated on the cheque i.e. 6 May 2020 over the bank counter. Support your answer with relevant authorities.

(6 marks)

[Total: 25 marks]

Continued

SECTION B

Instruction: This section has **TWO** questions. Please answer only **ONE** question.

QUESTION 4

"Life is full of risks. Some risks are too heavy for someone to bear. Insurance is introduced as an instrument to lessen the risk an individual has to bear."

Discuss the contract of insurance including its terms. Support your answer with relevant authorities.

[Total: 25 marks]

QUESTION 5

Briefly explain the following and support your answer with relevant authorities:

- a) Contingency insurance (5 marks)
- b) Indemnity insurance (5 marks)
- c) Doctrine of subrogation (5 marks)
- d) Material facts (5 marks)
- e) Utmost good faith (5 marks)

[Total: 25 marks]

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